

Senate Study Bill 3021 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
STATE GOVERNMENT BILL BY
CHAIRPERSON DANIELSON)

A BILL FOR

1 An Act relating to the use of the rural county services
2 property tax levy for services and functions undertaken
3 jointly by a county with certain cities and including
4 applicability provisions.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 28E.22, subsection 4, Code 2016, is
2 amended to read as follows:

3 4. Such moneys collected pursuant to the tax levy shall
4 be expended only for providing additional moneys needed for
5 unified law enforcement services in the district and shall be
6 in addition to the revenues raised in the county and cities in
7 the district ~~from their general funds~~ which are based upon an
8 average of revenues raised for law enforcement purposes by the
9 county or city for the three previous years. The amount of
10 revenues raised for law enforcement purposes ~~by the county~~ for
11 the three previous years shall be computed separately for the
12 unincorporated portion of the district and for each city in the
13 district.

14 Sec. 2. Section 28E.23, subsection 1, Code 2016, is amended
15 to read as follows:

16 1. The public safety commission, on or before January 10
17 of each year, shall make an estimate of the total amount of
18 revenue deemed necessary for operation of the district and,
19 in conjunction with the county board of supervisors and city
20 councils in the district, determine the amounts which will be
21 contributed by the county and by each city in the district
22 ~~from its general fund~~ which are based upon an average of
23 revenues raised for law enforcement purposes in the county
24 or city for the three previous years. As an alternative to
25 computing average revenues raised for law enforcement purposes
26 for the three previous years, a public safety commission, in
27 conjunction with the county board of supervisors and city
28 councils in the district, may calculate the average by using
29 the amounts budgeted for the three previous fiscal years.
30 The average of the amounts budgeted for the three previous
31 fiscal years may be adjusted by a percentage not to exceed the
32 percentage increase in the consumer price index for all urban
33 consumers for the last available twelve-month period published
34 in the federal register by the federal department of labor,
35 bureau of labor statistics.

1 Sec. 3. Section 28E.24, subsection 1, paragraph a, Code
2 2016, is amended to read as follows:

3 a. The county board of supervisors shall certify to the
4 public safety commission the amount of county revenue ~~from the~~
5 ~~county general fund~~ credited to the unincorporated area in
6 the district based upon an average of revenues raised for law
7 enforcement purposes in the unincorporated area for the three
8 previous years. The public safety commission shall subtract
9 this amount from the amount of revenue to be contributed by
10 the unincorporated area. The difference is the amount of
11 additional revenue needed for unified law enforcement purposes.

12 Sec. 4. Section 28J.13, Code 2016, is amended to read as
13 follows:

14 **28J.13 Annual budget — use of rents and charges.**

15 The board shall annually prepare a budget for the port
16 authority. Revenues received by the port authority shall be
17 used for the general expenses of the port authority and to
18 pay interest, amortization, and retirement charges on money
19 borrowed. Except as provided in [section 28J.26](#), if there
20 remains, at the end of any fiscal year, a surplus of such funds
21 after providing for the above uses, the board shall pay such
22 surplus into the ~~general~~ funds of the political subdivisions
23 comprising the port authority as agreed to by the subdivisions.

24 Sec. 5. Section 29C.17, subsection 2, paragraph b, Code
25 2016, is amended to read as follows:

26 b. Per capita allocation funded from city general funds and
27 county ~~general~~ rural services funds or by a combination of city
28 and county special levies which may be apportioned among the
29 member jurisdictions.

30 Sec. 6. Section 331.421, subsection 8, Code 2016, is amended
31 to read as follows:

32 8. "*Rural county services*" means the services which are
33 primarily intended to benefit those persons residing in
34 the county outside of incorporated city areas, including
35 secondary road services, but excluding services financed by

1 other statutory funds. "Rural county services" also means
2 any service provided by the county jointly by agreement with
3 one or more cities located in the county and under which the
4 county contributes revenue for provision of the service to the
5 unincorporated area of the county, including but not limited to
6 a service provided pursuant to an agreement under chapter 28E,
7 28F, 28G, 28J, 28M, or 29C.

8 Sec. 7. Section 331.427, subsection 3, paragraph a, Code
9 2016, is amended by striking the paragraph.

10 Sec. 8. APPLICABILITY. This Act applies to fiscal years
11 beginning on or after July 1, 2017.

12 EXPLANATION

13 The inclusion of this explanation does not constitute agreement with
14 the explanation's substance by the members of the general assembly.

15 This bill relates to the definition of rural county services
16 and the use of rural county services property tax revenue for
17 services and functions undertaken jointly by a county with one
18 or more cities.

19 Current Code section 331.421 defines "rural county services"
20 to mean the services which are primarily intended to benefit
21 those persons residing in the county outside of incorporated
22 city areas, including secondary road services, but excluding
23 services financed by other statutory funds. Property taxes for
24 rural county services are levied on all taxable property in the
25 unincorporated areas of the county, instead of being levied on
26 all taxable property within the county.

27 The bill amends the definition of "rural county services"
28 to also mean any service provided by the county jointly by
29 agreement with one or more cities located in the county for
30 which the county contributes revenue for provision of the
31 service to the unincorporated area of the county. Accordingly,
32 the revenues to be paid by a county under such an agreement for
33 the joint service must be paid from the rural services fund.

34 The bill makes conforming changes to provisions relating
35 to the joint provision of services by local governments under

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1 Code chapters 28E ("Joint Exercise of Government Powers"),
2 28J ("Port Authorities"), and 29C ("Emergency Management and
3 Security").

4 The bill applies to fiscal years beginning on or after July
5 1, 2017.